

Comments & Responses on DRAFT Policy Information Notice, “Federally Qualified Health Center Look-Alike Guidelines and Application”

On September 23, 2008, the Health Resources and Services Administration (HRSA) made the draft Program Information Notice (PIN), “Federally Qualified Health Center (FQHC) Look-Alike Guidelines and Application,” available for public comment on HRSA's web site. The purpose of the PIN is to clarify FQHC Look-Alike program and application requirements and make them consistent with those requirements under section 330 of the Public Health Service (PHS) Act. Comments were due to HRSA by December 19, 2008.

HRSA received comments from 16 organizations regarding the draft FQHC Look-Alike PIN. After review and careful consideration of all comments received, HRSA amended the draft PIN to incorporate certain recommendations from the public. The final FQHC Look-Alike PIN reflects these changes.

The purpose of this document is to summarize the major comments received and convey the agency's response, including any corresponding changes made to the FQHC Look-Alike application guidelines. Where comments did not result in a revision to the final FQHC Look-Alike application guidelines, explanations are provided.

Issue: Special Populations

Comment

Many commenters supported the inclusion of FQHC Look-Alike designations for organizations serving section 330 authorized “special populations” (i.e., section 330(g) Migratory and Seasonal Agricultural Workers, section 330(h) Homeless Populations, and section 330(i) Residents of Public Housing). Commenters requested clarification of the governance requirements for special populations, specifically the applicability of waivers.

HRSA Response

HRSA has amended the application guidelines to clarify that governance waivers will not be granted to organizations designated to serve the general population (i.e., section 330(e)) independently or in conjunction with a special population (i.e., section 330(g), section 330(h), and/or section 330(i)) consistent with current section 330 program requirements. HRSA will allow organizations designated exclusively to serve a special population authorized under section 330 of the PHS Act to apply for governance waivers for the 51 percent consumer majority board and monthly meetings requirements.

Issue: Application of all Section 330 Requirements for FQHC Look-Alikes

Comment

Many commenters requested that HRSA strictly require all requirements under section 330 of the PHS Act for FQHC Look-Alikes, and require organizations to demonstrate compliance with requirements at the time of application submission.

HRSA Response

Organizations that apply for FQHC Look-Alike designation are required to demonstrate that the organization meets all requirements under section 330 of the PHS Act at the time of application submission. All applications undergo a rigorous review to assess compliance with the program requirements. HRSA determines whether an organization meets these requirements by reviewing documentation submitted with the application including copies of the governing board bylaws, sliding fee scale, maps of the service area that identify the Medically Underserved Area and Medically Underserved Populations, articles of incorporation, and Medicare and Medicaid provider numbers for each service delivery site. In addition, HRSA anticipates continuing to conduct pre-designation site visits to organizations to verify compliance with the requirements under section 330 of the PHS Act.

Issue: Public Centers

Comment

Many commenters requested clarification on the governance requirements for public centers and the required components of a co-applicant agreement. Some commenters suggested that HRSA eliminate the co-applicant option for public centers.

HRSA Response

42 C.F.R. 51c.302 permits co-applicant arrangements for organizations that meet the health center requirements. HRSA's policy on co-applicant arrangements for FQHC Look-Alikes is detailed in PIN 99-09, "Implementation of the Balanced Budget Act Amendment of the Definition of Federally Qualified Health Center Look-Alike Entities for Public Entities." The application guidelines emphasizes that public agencies must meet all governance requirements identified in section 330 of the PHS Act and 42 CFR Part 51c either: (1) directly; or (2) through a formal arrangement with a co-applicant governing board.

In a co-applicant arrangement, the public agency may retain general policy making authorities such as financial and personnel; however, the co-applicant governing board maintains key authorities and approval regarding health center operations. The public agency and co-applicant governing board must develop a co-applicant agreement that identifies the delegation of authority and defines each party's role, responsibilities, and authorities. The bylaws, co-applicant agreement, and articles of incorporation must all demonstrate that the public agency and co-applicant are compliant with these requirements. The final FQHC Look-Alike application guidelines clarify the requirements of a public center and the required components of a co-applicant agreement.

Issue: Service Area Overlap

Comment

Commenters requested that the PIN include more information on HRSA's service area overlap policy as identified in PIN 2007-09, "Service Area Overlap: Policy and Process," as well as require organizations that apply for FQHC Look-Alike designation to demonstrate collaboration with section 330 health center grantees and existing FQHC Look-Alikes serving the area. It was suggested that HRSA conduct an objective analysis on the impact of designating an organization in an area with, or contiguous to, an existing health center grantee(s) and/or FQHC Look-Alike(s). Furthermore, commenters requested that HRSA inform the State Primary Care Association (PCA) of the rationale for all service area overlap decisions. Other suggestions included: establishing a "mileage non-compete region," and limiting initial designation to twice per year rather than on a rolling basis to investigate service area overlap issues.

HRSA Response

As identified in PIN 2007-09, HRSA's approach to resolving potential situations of service area overlap is based on: (1) early identification of the potential overlap; (2) utilization of standard data to define service area and determine the level of unmet need, if necessary; and/or (3) conduct a site visit. In all instances where an organization has applied for FQHC Look-Alike designation to serve an area located near a health center grantee(s) and/or FQHC Look-Alike(s), HRSA conducts an analysis to determine if a service area overlap exists. If this analysis is inconclusive, HRSA may conduct a site visit to obtain an independent assessment of the service area and the unmet health care needs of the medically underserved populations. Furthermore, HRSA requires organizations that apply for FQHC Look-Alike designation to demonstrate collaboration with health center grantees and/or FQHC Look-Alikes in, or contiguous to, the service area, as well as provide letters of support or document why such a letter can not be obtained. The final FQHC Look-Alike application guidelines emphasize HRSA's policy and process for resolving service area overlap and the importance and significance of collaborating with existing health care providers to meet the needs of medically underserved populations in the service area.

In regard to the comment on limiting application submission to twice per year, HRSA has determined that the current application submission and review process allows for sufficient and appropriate review time for any potential service area overlaps. The FQHC Look-Alike Program will continue to maintain an open application submission process.

Issue: Application Notification and Comment Period

Comment

Many commenters requested that HRSA implement a notification and comment period under which relevant stakeholders (e.g., health center grantees, FQHC Look-Alikes, PCAs, Primary Care Offices (PCOs), and other safety net providers serving the same community or contiguous area) would be: (1) notified that an organization has applied

for FQHC Look-Alike designation; and (2) afforded an opportunity to provide objective, verifiable information which may impact whether the organization should be designated.

HRSA Response

Organizations that apply for FQHC Look-Alike designation are expected to establish and maintain collaborative relationships with health care providers, including other health centers, in the service area of the center. Furthermore, the final FQHC Look-Alike application guidelines require organizations to secure letters of support from the existing health center(s) and/or FQHC Look-Alikes in the service area or provide an explanation for why such a letter of support can not be obtained. HRSA anticipates this requirement will address the requests for disclosure of organizations that apply for FQHC Look-Alike designation.

Issue: Application Contents and Submission Requirements

Comment

Some commenters expressed concern regarding the new application submission requirements for obtaining and maintaining FQHC Look-Alike designation, suggesting that the changes will require a significant increase in preparation time, the amount of resources utilized, and operational changes for existing FQHC Look-Alikes. The commenters suggested the costs for meeting these new requirements may outweigh the value of designation. Recommendations for meeting this concern included: reducing the narrative requirements for renewal of designation; limiting narrative requirements for annual recertification to Health Care and Business Plan progress reports; eliminating the Health Care and Business Plans for annual recertification; and implementing bi-annual recertification applications in lieu of annual recertification applications. Additional comments were submitted to clarify the program narrative components, application content requirements, and Health Care and Business Plan instructions.

HRSA Response

HRSA understands the final FQHC Look-Alike application guidelines may require organizations to invest some additional time and resources in preparing an application; however, HRSA is confident that these new requirements will strengthen the FQHC Look-Alike Program by improving program administration and oversight as well as strengthening service delivery at FQHC Look-Alikes. The final FQHC Look-Alike application guidelines also align with HRSA's new electronic application process, which the Agency anticipates launching for the FQHC Look-Alike Program. HRSA is committed to assisting organizations during this transition and will provide technical assistance to existing FQHC Look-Alikes in meeting these new application requirements. The final FQHC Look-Alike application guidelines clarify the application content and program narrative sections, and well as improves consistency between the program narrative and Health Care Plan and Business Plan requirements.

Issue: Letter of Interest Process

Comment

A commenter recommended that HRSA intensify its Letter of Interest (LOI) process by requiring organizations to submit a LOI to determine compliance and service area overlap prior to the FQHC Look-Alike designation application process.

HRSA Response

After careful consideration of these comments and analyzing the existing LOI process, HRSA has decided to discontinue the LOI process for the FQHC Look-Alike Program. In lieu of submitting a LOI, organizations that seek technical assistance in preparing an application for initial FQHC Look-Alike designation may submit questions in writing to HRSA's Bureau of Primary Health Care, Office of Policy and Program Development (OPPD) at OPPDGeneral@hrsa.gov. Please indicate "FQHC Look-Alike Program" in the subject line of the email. Organizations may also contact OPPD at 301-594-4300 and their State PCA and/or PCO for assistance in developing an application. Contact information for the State PCAs and PCOs are available on HRSA's Web site at <http://bphc.hrsa.gov/technicalassistance/>.

Issue: Effective Dates for the Final FQHC Look-Alike PIN

Comment

Commenters requested more detail on how HRSA intends to implement the final FQHC Look-Alike PIN and a time frame for when the new requirements will be effective. Suggestions for effective dates included: one year, 24 months, and 18 months.

HRSA Response

The effective date for the final FQHC Look-Alike application guidelines will be six months beyond the issuance date. All potential and existing FQHC Look-Alikes are strongly encouraged to use the final FQHC Look-Alike application guidelines upon the effective date. Organizations will be required to meet the final FQHC Look-Alike application guidelines requirements 12 months beyond the issuance date. Organizations that are newly designated after issuance of the final FQHC Look-Alike application guidelines will be expected to submit a renewal of designation application five years from the designation date. Existing FQHC Look-Alikes are required to submit a renewal of designation application based on the following designation year:

Year of Initial Designation	Submit a Renewal of Designation Application in this Year
1991 – 1996	2010
1997 – 2005	2011
2006 – 2009	2012

HRSA will convene a technical assistance conference call to explain the implementation plan and address any questions regarding the final FQHC Look-Alike application guidelines. Logistical information for the conference call is available on HRSA's Web site at:

<http://bphc.hrsa.gov/>.

Issue: Uniform Data System Reporting

Comment

Many commentors requested that HRSA require FQHC Look-Alikes to complete Uniform Data System (UDS) reporting as required for grantees funded under section 330 of the PHS Act. Furthermore, commentors requested that HRSA enforce compliance with appropriate benchmarks by establishing procedures under which corrective actions could be imposed for non-compliance. This information could be used in determining the impact of FQHC Look-Alikes nationwide.

HRSA Response

At present, HRSA does not require FQHC Look-Alikes to complete UDS reporting because the information received in applications provide sufficient detail at this time for program monitoring and reporting impact. HRSA is exploring methods for collecting data similar to the UDS.